Preliminary Announcement of Annual Report 2006

Company announcement no. 1/2007

19 March 2007

UNITED INTERNATIONAL ENTERPRISES LIMITED

Announcement to the Copenhagen Stock Exchange

Herewith follows the announcement of the results of United International Enterprises Limited ("UIE" or "the Company") for the year ended 31 December 2006, expressed in United States Dollars ("USD or $").

Highlights

Year ended 31 December 2006

- Consolidated profits for the year amounted to $21.904 million compared with $39.838 million in 2005. Included in 2005 earnings was a gain of $24.417 million arising from the sale of the Company's interest in Aarhus United A/S ("Aarhus United"), which was concluded in September 2005. Earnings figures in the two years are not directly comparable as a consequence of the Group restructuring, which was concluded in September 2005.

- Shareholders' equity increased from $232.468 million at 31 December 2005 to $268.856 million at 31 December 2006, a 16% increase resulting from the movement in retained earnings, equity adjustments on foreign currency translation less the dividend distributed in June 2006.

Group companies

- The Company's share of equity in net income of associate companies rose from $16.567 million in 2005 to $21.284 million in 2006. It should be noted that these earnings figures in the two years are not directly comparable as a consequence of the Group restructuring, which was concluded in September 2005 with the sale of the Company's interest in Aarhus United and the acquisition of an effective share of 16.3% of AarhusKarlshamn AB ("AAK") coupled with the purchase of an additional 23.4% of the paid up capital of United Plantations Berhad ("United Plantations").

- Associate company, United Plantations, achieved a record profit after taxation in 2006 of MYR 150.008 million ($40.967 million) and represented a 13% improvement relative to the 2005 profit of MYR 133.028 million ($35.133 million). The improved result was mainly due to an increase in palm oil production as well as higher palm oil prices. Palm oil production in 2006 increased due to a 2.6% higher production of Fresh Fruit Bunches although coconut production fell by 9.4% due to cyclical factors. The company also received a tax incentive of MYR 4 million ($1.092 million) in connection with large energy conservation projects completed during 2006.

- The operating profit of associate company AAK in 2006, before the impact of IAS 39 and after excluding non-recurring costs, amounted to SEK 455 million ($62 million) (Pro-forma 2005: SEK 530 million ($71 million)). The result was depressed by the absence of any earnings from subcontracted processing activity and by lower speciality fats sales. Positive merger synergies in 2006 contributed SEK 75 million ($10 million) to the result. Profit after tax in 2006 amounted to SEK 177 million ($24 million).

Investments

- On 29 September 2006, the Company announced the purchase of 3.3 million shares in United Plantations at a total cost of $7.038 million. This purchase increased the Company's interest in United Plantations at the year end to 44.77%.

Outlook for 2007

- Neither AAK nor United Plantations, the two investments that constitute the bulk of the Company's portfolio, issues a formal estimate of profits. Whilst the outlook perceived by both companies is positive, it is not sufficiently clear from published information released by these two companies to derive any certainty in terms of the Company's future prospects. For the time being the Board is therefore only capable of expressing, with reasonable confidence, that the result for 2007 should be of a similar order to the level attained in 2006.

Consolidated Key Figures

(Expressed in USD)		**2006 $'000**	2005 $'000	2004 $'000	2003 $'000	2002 $'000
Net income before gain on sale of Group company		**21,904**	15,421	20,823	8,390	10,374
Gain on sale of Group company		**-**	24,417	-	50,803	-
Net income after gain on sale of Group company		**21,904**	39,838	20,823	59,193	10,374
Result per Share	$	**4.91**	8.94	4.67	13.30	2.47
Result per Share (before gain on sale of Group company)	$	**4.91**	3.46	4.67	1.89	2.47
Ordinary dividend - per share	$	**0.70***	0.70	0.70	0.70	0.70
Special dividend - per share	$	**-**	1.00	-	1.00	-
Total Assets, end of Period		**269,949**	233,442	207,188	184,442	163,492
Total Equity, end of Period		**268,856**	232,468	204,012	180,816	109,543
Solvency Ratio %		**100**	100	98	98	67
Intrinsic Value per Share	$	**60.23**	52.16	45.85	40.64	24.54
Market Price, end of Period	$	**83.01**	62.98	44.93	28.20	19.09

(The result per share and intrinsic value per share are calculated after deducting UIE's interest in own shares from total shares)

*Proposed dividend.

Result

Year ended 31 December 2006

The consolidated profit after taxation for the year amounted to $21.904 million, compared with $39.838 million achieved in 2005. Included in 2005 earnings was a gain of $24.417 million arising from the sale of the Company's interest in Aarhus United, which was concluded in September 2005. It should be noted that the earnings figures in the two years are not directly comparable as a consequence of the Group restructuring, which was concluded in September 2005 with the sale of the Company's interest in Aarhus United and the acquisition of an effective share of 16.3% of AAK, coupled with the purchase of 23.4% of the paid up capital of United Plantations, which increased the Group's interest in that company to 43.18%. In 2006, this interest was consolidated through the purchase of 1.59% of the capital, which served to increase the Company's interest in United Plantations to 44.77%.

Income for the year to 31 December 2006 amounted to $23.182 million compared with $43.349 million in the same period in 2005. (Included in 2005 earnings was a gain of $24.417 million arising from the sale of the Company's interest in Aarhus United). Income in the period comprised substantially the Company's equity interest in the net income of Group companies, which amounted to $21.284 million (2005: $16.567 million). Foreign exchange gains of $0.766 million (2005: $1.530 million) and interest income of $1.003 million (2005: $0.797 million) made up almost all of the balance. The Company's share of the net income of Group companies, United Plantations and AAK, is not comparable with the share of associate company income generated in 2005 as this latter income source comprised the Company's lower equity interest in United Plantations up to the end of the third quarter 2005 and its share of the earnings of Aarhus United, which was disposed of in September 2005.

United Plantations' net profit for 2006, its centennial year, amounted to a record MYR 150.008 million ($40.967 million) and represented a 13% improvement relative the 2005 profit of MYR 133.028 million ($35.133 million). The improvement was mainly due to an increase in the production of crude palm and palm kernel oil as well as better palm oil prices, combined with a significant improvement in palm kernel stearin margins (although this was partly offset by losses in palm kernel olein and palm oil finished products). A tax incentive of MYR 4 million ($1.092 million) was received in relation to energy conservation projects completed during the year.

In the case of AAK, the operating profit for 2006, before the impact of IAS 39 and after excluding non-recurring integration and rationalization costs, amounted to SEK 455 million ($62 million), which compares unfavorably with the pro-forma figure of SEK 530 million ($71 million) for 2005 (made up of the individual results of Karlshamns and Aarhus United respectively prior to the merger). The 2006 result was depressed by the absence of any earnings from subcontracted processing activity within the chocolate and confectionery fats business (2005, SEK 60 million ($8 million)) and by lower than anticipated speciality fats sales, which, despite strong demand, fell short of expectations because of a shortage of shea nuts, a key raw material. In 2006 synergies contributed SEK 75 million ($10 million) to the result. Non recurring costs arising in connection with the merger process and synergy investments amounted to SEK 157 million ($21 million) in 2006. Profit after tax for the full year to 31 December 2006 amounted to SEK 177 million ($24 million).

Expenses incurred by the Company in the year to 31 December 2006 amounted to $2.832 million and were below the figure of $3.626 million expended in 2005. The bulk of the difference arose from expenses incurred in connection with the Group reorganization undertaken in 2005.

Taxation recovered in 2006 amounted to $1.554 million (2005: $(0.115) million) and comprised the recovery of withholding taxes on dividends received by the Company's Malaysian holding company, which were marginally offset by withholding taxes paid on intergroup interest charges.

Shareholders' Equity

Shareholders' equity increased from $232.468 million at 31 December 2005 to $268.856 million at 31 December 2006, reflecting primarily the profit generated by the Company in the year, equity adjustments on foreign currency translation less the dividend paid in June. There was no Group bank indebtedness outstanding at the end of the period under review and the solvency ratio was 100%.

Accounting Policies

Accounting policies have been applied consistently with those of the preceding year. It should be noted that International Accounting Standard 41 should apply in the case of all of the Company's main operating interests. Specifically this applies to biological assets, which are required to be accounted for in a manner that reflects changes in the fair value of biological assets, such as United Plantations' operations in Malaysia. However, as this standard remains unadopted by the Malaysian industry, it continues not to be possible to comply with this directive.

Change of Auditor

With effect from the current accounting year, the Company has changed its auditors, with Ernst and Young being appointed in place of KPMG. This decision was necessitated by KPMG no longer being the principal auditor of either of the Company's main investee companies, United Plantations and AAK, and in line with accounting protocol, the Board accordingly resolved that Ernst & Young, who are United Plantations' Auditors, should be appointed as Auditors.

Dividend

The Board has resolved to recommend an unchanged dividend of $0.70 (per $10.00 share) to shareholders on the register on 12 June 2007.

Investments

New Investments

On 29 September 2006, the Company announced the purchase of 3.3 million shares in United Plantations at a total cost of $7.038 million. This purchase increased the Company's interest in United Plantations by 1.59% to 44.77%.

United Plantations' proposed acquisition of 95% of the capital of two Indonesian companies collectively giving it access to approximately 29,600 hectares of plantation land in East Kalimantan, Indonesia, as well as the initial development of the area, is proceeding according to plan. Up to the end of 2006, 1,900 hectares had been planted with oil palms. These are still immature and no revenue contribution is expected until 2009.

In the second quarter, AAK concluded the acquisition of the "Wet Foods" division of Lion Food Ltd., a business operating in the sauces, dressings and marinade sector in the UK, with an annual turnover of approximately £14 million ($25.392 million). AAK has also commenced the construction of a new plant to expand chocolate fat capacity at the Aarhus based facility which is expected to be operational by the end of 2007. Also, capacity for trans-free fats and related products in the United States was increased in 2006.

The Company is actively continuing, to review new investment possibilities. At the same time, if suitable opportunities arise, in the market, the Company will consider further marginal purchases of shares in United Plantations. To this end, in February 2007, the Company purchased 380,000 shares in United Plantations, thereby increasing its equity interest by 0.18%, to 44.95%.

Group Companies

The main operating Group companies, which made up the Company's investment portfolio at 31 December 2006, are commented upon below.

United Plantations Berhad

The year 2006 for United Plantations was a momentous one.

- In September 2006, the company celebrated its centenary, following its establishment as one of the pioneering plantation groups in Malaysia in 1906. Through the ensuing era, the company has come to represent one of the leading benchmarks by which the industry rates not only its performance generally but specifically as the leading supplier of sustainable palm oil from an environmentally sustainable source. This status is the result of a dedicated commitment to the highest standards of agronomic husbandry with particular regard to the preservation of the environment, high labour standards and the dedication of management.

- It is fitting that in a year of such historic importance, United Plantations returned a record result, comfortably exceeding the previous record attained in 2005. Whilst high commodity prices, boosted by continuing biodiesel demand, were partially the cause of the result, continued emphasis on exacting agronomic standards aimed especially at enhancing per hectare yields and the maintenance of vigilant control over operating costs were significant factors in underpinning the year's outstanding performance.

- The venture into East Kalimantan, Indonesia, where the company is securing access to 29,600 hectares of plantation land, commenced in earnest in 2006 and, although still at an early stage, it should enable United Plantations significantly to expand its oil palm plantation area, thereby providing the impetus for future growth.

In terms of ongoing operations United Plantations, through its Research and Development Centre, continues to make good progress in selecting and creating superior planting material, which is vital to the company maintaining its pre-eminent position in terms of oil yield per hectare. The supply of highest quality planting material into existing replanting programmes as well as the Indonesian venture, coupled with continually improving agronomic practices, should ensure premium yields as well as oil extraction rates for palm oil in the future. United Plantations continues to maintain its position as Malaysia's largest and most efficient producer of coconuts.

As at 31 December 2006 the Company's interest in United Plantations amounted to 44.77%.

The following extracts have been taken from United Plantations Preliminary Announcement released on 26 February 2007.

"Condensed Consolidated Income Statements
for the Year ended 31 December 2006
(The figures have not been audited)

(MYR'000)	**4th Quarter 2006**	4th Quarter 2005	**Year to Date 31/12/2006**	Year to Date 31/12/2005
Revenue	**143,985**	139,622	**596,756**	594,321
Operating expenses	**(98,237)**	(105,378)	**(410,266)**	(424,413)
Other operating income	**4,993**	4,073	**8,412**	10,280
Finance costs	**(40)**	(214)	**(436)**	(1,300)
Interest income	**1,189**	859	**3,784**	2,895
Investment income/(loss)	**410**	(361)	**1,319**	(164)
Gain from liquidation of an associated company	**-**	-	**-**	18
Profit before taxation	**52,300**	38,601	**199,569**	181,637
Income tax expense	**(9,935)**	(8,090)	**(49,561)**	(48,609)
Profit after taxation	**42,365**	30,511	**150,008**	133,028
Profit for the period	**42,365**	30,511	**150,008**	133,028
Net profit attributable to:				
Equity holders of the parent	**42,365**	30,511	**150,008**	133,028
Minority interest	**-**	-	**-**	-
Net Profit	**42,365**	30,511	**150,008**	133,028
Earnings per share				
(i) Basic - based on an average 208,134,266 (2005:208,134,266) ordinary shares (sen)	**20.35**	14.66	**72.07**	63.91
(ii) Fully diluted (not applicable)	**-**	-	**-**	-

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Audited Accounts for the year ended 31 December 2005

Condensed Consolidated Balance Sheet
as at 31 December 2006
(The figures have not been audited)

(MYR'000)	**31 December 2006**	31 December 2005
Assets:		
Non-current assets		
Property, plant and equipment	**912,443**	868,194
Investment in associated company	**-**	-
Available for sale financial assets	**3,247**	4,182
Current assets		
Inventories	**83,041**	85,321
Trade & other receivables	**60,024**	37,689
Amounts due from associated company	**11**	149
Tax recoverable	**482**	49
Financial assets at fair value	**5,921**	5,308
Cash, bank balances & fixed deposits	**156,865**	179,798
Total current assets	**306,344**	308,314
Total Assets	**1,222,034**	1,180,690
Equity and Liabilities:		
Equity attributable to equity holders of the parent		
Share capital	**208,134**	208,134
Share premium	**181,920**	181,920
Other reserves	**21,264**	258,018
Retained profits	**660,783**	330,231
	1,072,101	978,303
Minority interest	**304**	-
Total Equity	**1,072,405**	978,303
Non-current liabilities		
Retirement benefit obligations	**3,320**	2,567
Provision for deferred taxation	**64,626**	66,728
Total non-current liabilities	**67,946**	69,295
Current liabilities		
Trade & other payables	**45,682**	37,004
Overdraft & short term borrowings	**16**	20,646
Retirement benefit obligation	**384**	384
Promissory note	**-**	35,917
Interim/final dividend declared	**22,791**	22,479
Provision for taxation	**12,810**	16,662
Total current liabilities	**81,683**	133,092
Total Liabilities	**149,629**	202,387
Total Equity and Liabilities	**1,222,034**	1,180,690
Net assets per share (MYR)	**5.15**	4.70

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Audited Accounts for the year ended 31 December 2005

Directors' Review of the Group's Performance

The Group's revenue for the current year under review increased by MYR 2.4 million which is 0.4% higher than that of last year.

- Plantation

The production of CPO and PK increased due to a 2.6% higher production of Fresh Fruit Bunches ("FFB"). However, the production of coconuts decreased by 9.4% due to the cyclical nature of the yields.

- Refinery

The sale of palm oil products declined by 35% due to poor demand but the sale of palm kernel products improved by 11% to compensate for the loss from palm oil products.

The Group's profit after tax for the current year under review is 13% higher than that of last year due to:

1) *an increase in the production of CPO and PK combined with better prices contributed to a 9.4% higher profits than in the previous year.*

2) *the palm kernel stearin margin improved significantly but is off-set by losses in palm kernel olein and palm oil products.*

3) *there is also a saving of MYR 4 million in tax expense attributed to tax incentives on the large energy conservation projects completed during the year, and to a reduction of 1% in the deferred tax rate.*

Prospects and Outlook

Recent Oil World Reports indicate that the medium to longer term outlook is for higher prices of oil seeds, oils and oil meals. The two main factors for the expectations for prices to appreciate are:

1. *The rally in corn due to corn consumption for ethanol production in the USA which has resulted in corn stocks in the USA falling to new lows. The price appreciation of corn pushed up soyabean prices as it is anticipated that the competition for acreage will intensify between these two crops.*

2. *World demand for vegetable oils in 2007 is expected to exceed production which would result in a drawdown of stocks. The strong demand growth is to a large extent linked to the sizeable increase in vegetable oil as a feedstock for biofuels. Although we see some demand losses in the European Union due to environmental concerns and reduced capacity utilization as a result of high prices of vegetable oils and declining prices of mineral oil and diesel, biodiesel production in the USA, South America and Asian countries is likely to increase sizeably. Much however, will depend on subsidies and the commitment from governments to promote this new fuel source.*

The reduction of Indian import duties will also favour higher palm oil imports in the coming months. With lower stocks globally and increased demand for vegetable oils there is also a growing concern about the global climate changes and the potential negative effects on crops.

These are some of the recent developments which have resulted in our positive sentiment for commodity prices going forward.

Barring any negative factors that would impact production caused by the onset of the current dry weather, we expect to achieve yet another satisfactory year in 2007."

AarhusKarlshamn AB

During the course of 2006, the management of AAK has committed itself to the dual task of completing the merger process between Aarhus United and Karlshamns AB ("Karlshamns") following the merger of the two companies in September 2005 whilst also consolidating the company's position as arguably the world's leading producer of speciality products based on vegetable oil solutions, the two primary pillars supporting the merger process.

- Extensive changes throughout the group were undertaken in 2006 in integrating and coordinating group activity and in this process merger synergies amounting to SEK 175 million ($24 million) were initially identified. Additional synergies are expected to be achieved in the next two years as a result of specializing and optimizing the large Swedish and Danish production units. Although one-off synergy related costs served to dampen the year's performance, by 2008 it is expected that the full effect of the first synergy wave will be achieved.

- Key decisions were taken in 2006 to consolidate the specialty fats production strategy. This involved a material increase in production capacity in Denmark and USA as well as the acquisition of the "Wet-Foods" division of Lion Foods in the United Kingdom. A management structure, focusing on key business areas, was adopted early in the merger process and a highly motivated management team is committed to sustaining the company's market position.

The financial performance of AAK in 2006 was affected by high raw material and energy costs as well as problems encountered in sourcing shea nuts, a key raw material. We are confident that these issues will be actively addressed in the process of the company achieving its full market potential and in harvesting the synergies emerging from the merger process.

The Company's interest in AAK is held through an intermediary company, BNS Holding AB ("BNSH") in which it holds a 41.5% share, with the balance owned by MS Karl Invest AB, a Swedish investment holding company under the control of Swedish Industrialist Melker Schörling. BNSH in turn holds 39.3% of the capital of AAK. The Company's effective interest in AAK is therefore 16.3%. During the year BNSH received dividends amounting to SEK 471 million ($ 64 million) from AAK, which were applied to redeeming the bulk of the company's outstanding bank indebtedness.

The following extracts have been taken from AAK's Interim report announcement released on 23 February 2007.

*"Financial Statement, January – December, 2006**

- *Net sales totalled SEK 10,929 (10,515) million.*
- *The operating profit, excluding effects of IAS 39 of SEK 44 million and excluding non-recurring items of SEK 157 million, amounted to SEK 455 (530) million.*
- *In 2005 the profit from subcontracted processing within the Chocolate & Confectionery Fats business area was SEK 60 million for the full year. This activity was discontinued at the end of 2005.*
- *The operating profit including non-recurring items and after adjustment for IAS 39 amounted to SEK 298 million.*
- *Profit after tax was SEK 177 million.*
- *Earnings per share amounted to SEK 4.18.*
- *The first wave of synergies is generating SEK 175 million, per annum, with full effect as from 2008. The total non-recurring cost for the programme is SEK 248 million (2005: SEK 91 million and 2006: SEK 157 million).*
- *The Board of Directors of AAK propose a dividend of SEK 4.00 (4.00) per share.*

"I am pleased with the merger activities carried out in the Group during 2006. Additional synergies will come primarily from specialization and optimisation of the large Swedish and Danish production units. These improvements will be implemented over the next two years. Some of the synergies will however be offset by higher costs, for example energy and inflation costs", says Jerker Hartwall, President and CEO in a comment about the report.

*Interim report for the period October-December 2006**

- *Net sales totalled SEK 3,057 (3,008) million.*
- *The operating profit, excluding effects of IAS 39 of SEK 42 million and excluding non-recurring items of SEK 40 million, amounted to SEK 108 (153) million.*
- *In 2005, the profit from subcontracted processing within the Chocolate & Confectionery Fats business area was SEK 60 million for the full year and SEK 15 million for the fourth quarter. This activity was discontinued at the end of 2005.*
- *The operating profit including non-recurring items and after adjustment for IAS 39 amounted to SEK 68 million.*
- *Profit after tax was SEK 58 million.*
- *Earnings per share amounted to SEK 1.38.*

** Comparable figures in brackets refer to 2005 pro forma.*

The President's comments

Continued merger activities

In the autumn of 2005, Aarhus United and Karlshamns merged to form the world's leading producer of value added vegetable oil solutions. During the past year, the implementation of the merger has led to extensive changes throughout the Group.

The first wave of synergies is generating SEK 175 million, per annum, with full effect from 2008. The positive impact in 2006 was SEK 75 million. The total non-recurring cost for the programme was SEK 248 million. (2005: SEK 91 million and 2006: SEK 157 million).

Additional synergies will come primarily from improving cost efficiency based on further specialization and optimisation of the large Swedish and Danish production units. These improvements will be implemented over the next two years, but it is still to early to estimate the final financial impact thereof. Some of the synergies will be offset by higher costs, for example energy and inflation costs.

Strategic business decisions

In parallel with the merger process, vital strategic decisions have been taken to consolidate the speciality product strategy:

- *the significant expansion of CBE (Cocoa Butter Equivalents) capacity,*
- *the expansion of new trans-free solutions in the US,*
- *the acquisition of the "wet foods" division of Lion Food in Great Britain, forward integration to reduce the dependence on simple bulk oils.*

AAK's strategy is to develop speciality products based on vegetable oils where a high technology content and/or value-added services promote attractive margins and strong growth.

As support for the strategy AAK has launched a new vision:

– The first choice for value added vegetable oil solutions –

Impact from external factors

The greatest external change for AAK is the accelerating consumption of vegetable oils in the energy sector. This has driven up the raw material prices of the Group, and the trend will probably continue.

In combination with the competitive price pressure in the retail trade, this means that every player in the food industry value chain is under strong pressure, and the need for innovative solutions to reduce costs is increasing.

Health is a strong driving force, for the vegetable oil industry and the greatest change at present is the switch from trans-fats to trans-free alternatives, particularly in the US. AAK has successfully exploited this during 2006. For the vegetable oil industry and the food processing sector, this means, in many cases, switching to simple trans-free solutions, while in other cases, more complex speciality solutions are required.

For AAK the world leader in the CBE sector for chocolate, shea nuts are a key raw material. Although there is a good organic supply of nuts in West Africa, the logistics in the entire supply chain from tree to factory must be further developed in order to satisfy AAKs need for shea' nuts. For the next coming years a limited supply of shea nuts might form a restriction on AAK's expansion in this segment.

Outlook for 2007

We expect a clear EBIT-improvement, primarily due to the cost synergies resulting from the merger.

Summary income statement for the Group

(SEK million)	**3 months Oct-Dec 2006**	3 months Oct-Dec 2005	**12 months Jan-Dec 2006**
Net sales	**3,057**	3,008	**10,929**
Other operating income	**33**	11	**44**
Total operating income	**3,090**	3,019	**10,973**
Raw materials, consumable and goods for resale	**(2,316)**	(2,361)	**(8,061)**
Other external costs	**(270)**	(298)	**(1,186)**
Costs for remuneration to employees	**(303)**	(264)	**(1,063)**
Depreciation and impairment losses	**(81)**	(141)	**(306)**
Other operating costs	**(10)**	(11)	**(15)**
Total operating costs	**(2,980)**	(3,075)	**(10,631)**
Operating profit	**110**	(56)	**342**
Interest income	**6**	12	**15**
Interest expense	**(37)**	(22)	**(102)**
Other financial items	**15**	2	**13**
Pre-tax profit	**94**	(64)	**268**
Tax	**(36)**	18	**(91)**
Net profit	**58**	(46)	**177**

Summary balance sheet for the Group

(SEK million)	***31.12.2006***	*31.12.2005*
Assets:		
Goodwill	***579***	*593*
Other intangible fixed assets	***59***	*92*
Tangible fixed assets	***2,752***	*2,670*
Financial fixed assets	***164***	*108*
Total fixed assets	***3,554***	*3,463*
Inventories	***1,512***	*1,429*
Current receivables	***1,738***	*1,732*
Cash and cash equivalents	***129***	*211*
Total current assets	***3,379***	*3,372*
Total assets	***6,933***	*6,835*
Shareholders' equity and liabilities:		
Shareholders' equity	***2,287***	*3,504*
Minority shareholding	***32***	*50*
Total shareholders' equity incl. minority share	***2,319***	*3,554*
Long-term liabilities	***2,732***	*1,401*
Accounting payable - trade	***502***	*550*
Other current liabilities	***1,380***	*1,330*
Total current liabilities	***1,882***	*1,880*
Total shareholders' equity and liabilities	***6,933***	*6,835*

No changes have arisen in contingent liabilities, nor have any transactions with closely related parties occurred during the period."

Other Investments

Cocoa Trading and Broking

In December 2006, the Company resolved to dispose of its investment in the cocoa Trading and Broking venture for a consideration of $0.655 million. It incurred a loss of $0.247 million on the sale.

Elements of Risk

Taking the major contributors to Group income into account, the major risk influences are as follows:

Commodity Prices: The major commodity price influence on Group profitability is the palm oil price, insofar as it affects the performance of the Group's plantation interests in Malaysia. A $10 per tonne change in the price of crude palm oil would affect the Company's share of the plantation profits by around $1 million.

Currency Rates: The Company draws its accounts in United States Dollars. Whilst certain members of the Group account in a range of currencies, the Company's major asset is now United Plantations, which draws its accounts in Malaysian Ringgit. Notwithstanding the decoupling of the Malaysian currency from the US Dollar in 2005, the two currencies remain relatively closely linked. In the case of the Company's investment in AAK, a movement in the US Dollar against the Swedish Kroner for example, would exert a moderate influence.

Interest rates: Whilst neither the Company nor United Plantations carry external debt of material proportions, an increase of 1% in interest rates would reduce the Company's share of AAK's result by approximately $0.7 million.

Weather: Whilst generally the impact of changing weather patterns has not exerted a material effect on the profitability of the Company's agricultural interests in Malaysia, the extreme effects of El Niño and its successor, La Niña, in past years has served to affect productivity.

Directors

In 2007, Mr. Brian Bech Nielsen and Mr. John Madsen retire by rotation. A resolution proposing their reappointment will be tabled at the forthcoming Annual General Meeting.

Events after the Balance Sheet date

In February 2007, the Company purchased 380,000 shares in United Plantations for a consideration of MYR 4.122 million ($1.178 million). This purchase increased the Company's interest in United Plantations by 0.18% to 44.95%.

Outlook

Neither AAK nor United Plantations, the two investments that constitute the bulk of the Company's investment portfolio, issues a formal estimate of profits.

United Plantations has announced that "………..barring any negative factors that could impact world production caused by the current dry weather, we expect to achieve yet another satisfactory year in 2007" Another key factor is the overall level of commodity prices within the vegetable oil complex and especially the continuing impact of biodiesel demand on vegetable oil supplies. With the continuing commitment of the European Union as well as the major impetus given to alternative energy by the Bush administration it is reasonable to anticipate continued pressure from this source and a continued underpinning of vegetable oil prices as a result.

In the case of AAK, the published outlook is for "…..a clear EBIT improvement, primarily due to cost synergies resulting from the merger".

Whilst the outlook perceived by both companies is positive, it is not sufficiently clear from published information released by these two companies to derive any certainty in terms of the Company's future prospects. For the time being the Board is therefore only capable of expressing, with reasonable confidence, that the result for 2007 should be of a similar order to the level attained in 2006.

Annual General Meeting

The Annual General Meeting of the Company will be held on 12 June 2007 at the Company's registered office in Nassau, Bahamas. Matters to be considered at the meeting include resolutions to receive and consider the Accounts for the year ended 31 December 2006; to re-elect Directors who are retiring by rotation and to approve the dividend.

For shareholders unable to attend the Annual General Meeting, an informal meeting will be held at Børssalen, Børsbygningen, Copenhagen on Friday, 25 May 2007 commencing at 10.00 a.m. The printed Annual Report will be despatched to the shareholders early in May 2007.

In closing, and on behalf of the Board, I should like to place on record my sincere thanks to all of the employees within the Group for their continued dedication and commitment to the growth and development of the Company and its interests globally.

On behalf of the Board

Carl Bek-Nielsen
Chairman

19 March 2007

Consolidated Balance Sheets year ended 31 December 2006 with corresponding figures for year ended 31 December 2005

(Expressed in USD)	**31 December 2006 $'000**	31 December 2005 $'000
Assets:		
Current assets:		
Cash at bank	**2,959**	1,968
Fixed deposits	**20,037**	7,227
Amounts due from associated companies	**85**	237
Accounts receivable and other assets	**342**	193
Withholding tax recoverable	**2,676**	1,326
Dividends receivable from associated company	**2,890**	2,563
Promissory note due from associate	**-**	9,504
Investments	**237**	1,029
Total Current Assets	**29,226**	24,047
Investments	**239,229**	202,001
Loans to affiliated companies	**1,450**	7,369
Property, plant and equipment	**44**	25
Total Assets	**269,949**	233,442
Liabilities and Shareholders' Equity:		
Current liabilities:		
Taxation payable	**-**	391
Accounts payable and accrued charges	**1,093**	583
Total Current Liabilities	**1,093**	974
Shareholders' equity	**268,856**	232,468
Total Liabilities and Shareholders' Equity	**269,949**	233,442

Consolidated Statements of Operations year ended 31 December 2006, with corresponding figures for 31 December 2005

(Expressed in USD)		**2006 $'000**	2005 $'000
Income:			
Equity in net income of Group companies		**21,284**	16,567
Gain on sale of Group company		**-**	24,417
Interest income	- Group companies	**52**	233
	- affiliates	**456**	245
	- other	**495**	319
Net foreign exchange gains		**766**	1,530
Other income		**129**	38
Total income		**23,182**	43,349
Expenses:			
Depreciation		**16**	46
Interest expense		**-**	115
General and administrative		**1,764**	1,901
Directors' fees and remuneration		**946**	935
Net loss on investments		**106**	629
Total expenses		**2,832**	3,626
Net earnings before taxation		**20,350**	39,723
Taxation recovery		**1,554**	115
Net earnings for the period		**21,904**	39,838

Consolidated Statements of Shareholders' Equity year ended 31 December 2006, with corresponding figures for year ended 31 December 2005

(Expressed in USD)	Total Shareholders' Equity at 1 January 2005 $'000	Transactions during the year ended 31 December 2005 $'000	Total Shareholders' Equity at 31 December 2005 $'000	**Transactions during the year ended 31 December 2006** **$'000**	**Total Shareholders' Equity at 31 December 2006** **$'000**
Share capital	51,433	-	51,433	**-**	**51,433**
Share premium	13,248	-	13,248	**-**	**13,248**
Retained earnings	143,630	35,587	179,217	**18,780**	**197,997**
Interest in own shares	(10,099)	-	(10,099)	**489**	**(9,610)**
Equity adjustment on foreign currency translation	2,582	(3,913)	(1,331)	**17,119**	**15,788**
Interest in appraisal surpluses	3,218	(3,218)	-	**-**	**-**
	204,012	28,456	232,468	**36,388**	**268,856**

Consolidated Statement of Cash Flows for the year ended 31 December 2006 with corresponding figures for 2005

(Expressed in USD)	**2006 $'000**	2005 $'000
Cash from/(used in):		
Operations:		
Net earnings before taxation	**20,350**	39,723
Adjustments for:		
Equity in net income of associated companies	**(21,284)**	(16,567)
Interest income	**(1,003)**	(797)
Interest expense	**-**	115
Gain on sale of Group companies	**-**	(24,417)
Depreciation	**16**	46
Net loss on investments	**106**	629
Cash used in operations before working capital changes	**(1,815)**	(1,268)
Decrease/(increase) in working capital	**361**	(1,707)
Taxes (paid)/recovered (net)	**(187)**	3,445
Exchange loss/(gain)	**723**	(640)
Net cash used in operations	**(918)**	(170)
Financing:		
Dividend paid	**(3,124)**	(7,589)
Interest paid	**-**	(115)
Net cash used in financing	**(3,124)**	(7,704)
Investing:		
Interest received	**567**	871
Dividends received from associated companies	**6,621**	6,076
Purchase of investments	**(7,038)**	(81,796)
Proceeds from sale of investments	**688**	73,983
Proceeds from sale of own shares	**489**	-
Repayment of promissory note due from associated company	**-**	9,259
Decrease in advances to associated companies	**9,708**	138
Decrease in loans to affiliated companies	**6,843**	-
Additions to fixed assets	**(35)**	(4)
Cash from investing	**17,843**	8,527
Increase in cash position	**13,801**	653
Cash position beginning of year	**9,195**	8,542
Cash position end of year	**22,996**	9,195

Cash position comprises cash at bank and fixed deposits.

Corporate Information

Country of Incorporation	The Commonwealth of The Bahamas
Board of Directors	CARL BEK-NIELSEN Chairman MARTIN BEK-NIELSEN Deputy Chairman JOHN A. GOODWIN Managing Director BRIAN BECH NIELSEN PETER GRUT JOHN MADSEN KJELD RANUM
Company Secretary	ALISON TRECO
Registered Office and Principal Register of Shareholders	2nd Floor, One Montague Place East Bay Street Nassau, Bahamas
Copenhagen Representative Office	International Plantation Services Limited Plantations House 49 H.C. Andersens Boulevard 1553 Copenhagen V, Denmark
Auditors	Ernst & Young Nassau, Bahamas
Attorneys	Philip & Partners Copenhagen, Denmark Graham, Thompson & Co. Nassau, Bahamas
Bankers	Danske Bank A/S DnB NOR A/S Handelsbanken A/S Hongkong & Shanghai Banking Corp.
Contact Persons	JOHN A. GOODWIN ULRIK JUUL ØSTERGAARD KENNETH NILSSON Phone: +45 33933330
Links	www.uie.dk www.unitedplantations.com www.aarhuskarlshamn.com